



New Jersey Department of Children and Families Policy Manual

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DEPARTMENT POLICY: DCF.P6.01-2007

EFFECTIVE DATE: August 31, 2007

SUBJECT: **Match Requirements for Social Services Block Grant Service Contracts**

I. **PURPOSE**

The purpose of this policy is to advise State and Provider Agencies of match requirements for Social Services Block Grant service Contracts.

II. **SCOPE**

This policy applies to all Contracts designated by the State Agency as a Social Services Block Grant (SSBG) service Contract. It does not apply to training contracts funded by the Social Services Block Grant or by any other funding source.

III. **DEFINITIONS**

In addition to the defined terms included in the Glossary of the Manual, the following terms, when capitalized, shall have the meanings as stated:

Donor means the public (except the State of New Jersey) or private entity contributing match to a Contract.

Donor Agreement (Public or Private) means a standard written agreement between the Provider Agency and a public or private entity providing match to be used in the SSBG service Contract. The standard Donor Agreement is furnished by the State Agency.

In-Kind Contributions means property or services (except the services of volunteers) which benefit the Contract program and which are contributed by a public entity without charge to the Provider Agency. Public contributions formerly designated as CCE (Certified Cash Expenditures) are included as In-Kind Contributions.

IV. POLICY

A. Match is required by the Department for all SSBG service Contracts. The amount of match required is 25% of a base amount. This base amount is calculated by adding to the Total Operating Budget the amount of any approved In-Kind Contributions and subtracting from this sum, any Cost Sharing that will not to be used as match.

1. In Fiscal Years 1985 and 1986, County Human Services Advisory Councils (CHSACs) were given the latitude to set either a 10% or 25% Match requirement on new SSBG funding. Subsequently, some contracted services may contain identified Match dollars governed by both 25% and 10% Match requirements.
2. When there is a need to reallocate SSBG funds to service providers, funds that initially required a 25% or 10% Match shall retain that percentage rate. However, when authorization is received from the Department to reallocate funds that include a mix of 10% and 25% Match requirements, a new blended rate may be developed.

The blended rate is to be rounded to the nearest whole percentage point. This new percentage rate will then be the required Match on the SSBG funds being reallocated. However, the blended rate may be raised to the full 25% Match rate if the county so chooses.

B. The Provider Agency is responsible for obtaining the required match.

C. Allowable sources and types of match for SSBG Service Contracts are as follows:

1. Public Entities

The types of match discussed in this section may be contributed by a public entity to either a private or public Provider Agency (including itself).

- a. Cash donations include budget appropriations from State and local government entities, e.g., freeholders, municipal governments, school boards, housing authorities. With the exception of budget appropriations from State government, cash

donations from public entities must be transferred to the Provider Agency and placed under its administrative control.

- b. [In-Kind Contributions](#) are necessary in the delivery of Contract services and must be utilized during the term of the Contract. The value of property purchased with Federal funds may not be included as an In-Kind Contribution, unless specifically authorized by Federal legislation. The basis for determining the value of In-Kind Contributions must be documented ([See Attachments for information regarding the determination of the value of In-Kind Contributions](#)).

2. Private Entities

Cash donations are the only allowable type of match from private entities. Examples of such entities include the United Way, foundations and individuals. Private entities may donate cash to public or private Provider Agencies or, if applicable, may support their own SSBG service Contract. When the Donor is contributing to another agency, the matching funds must be transferred to the Provider Agency and placed under its administrative control.

In-Kind Contributions are not permitted as match from private entities.

D. Unallowable sources of match for SSBG service Contracts include:

- 1. Client Fees; and
- 2. Federal Funds, unless Federal law authorizes that they may be used to match other Federal funds.

E. Match is to be used in the provision of the Contract services specified in the Annex(es).

F. The type(s), source (s), and amount(s) of all match must be specified in the Annex(es) and must be approved by the Department. Furthermore, any change in the type(s), source(s), or amount(s) of match shall be reported to the Department. (See DCF Policy [CON-I-A-1-1.10.2007](#), Contract Modification).

G. In instances where a Donor defaults on its Donor Agreement ([Public](#) or [Private](#)) or makes delayed or reduced contributions, or the Provider Agency is unable to generate the required match from its own resources, the Department will not compensate for any insufficiency of

resources by increasing its Contract payment(s) to the Provider Agency.

- H. Resources used as match for an SSBG service Contract may not be used to match expenditures in other programs.
- I. Provider Agency records of receipt and utilization of match for SSBG service Contracts are subject to any audit performed in compliance with the Standard Language Document.

IV. PROCEDURES

A. Provider Agency Responsibilities

1. Match Information

The Provider Agency shall complete the [Match Information Form](#) by calculating the amount of match required and by specifying the type(s), source(s), and amount(s) of all match. This completed form shall be attached to the Annex(es).

2. Documentation of Availability and Commitment of Match

a. State Resources

When State resources are to be used as match, the amount of State resources shall be included on the [Match Information Form](#). The Department's final approval of the Annex(es) will serve to confirm the availability and commitment of State resources as match for the Contract.

b. Provider Agency Resources

When the Provider Agency is furnishing match for its own SSBG service Contract, a resolution shall be made by its governing board stating the amount of the match and outlining when it will be available for use in the provision of Contract services.

c. Resources From Other Sources

When resources from a public or private entity other than the State Agency or the Provider Agency are to be contributed as match for use during the Contract term, the Provider Agency and the Donor shall enter into a Donor Agreement ([Public](#) or [Private](#)).

d. Requirements for Submitting Documentation of Match to the State Agency

A copy(ies) of the Provider Agency's governing board resolution and/or a fully-executed Donor Agreement ([Public](#) or [Private](#)) documenting the availability and commitment of match for either the term of the Contract or for the first twelve months of a multi-year Contract, must be submitted to the State Agency prior to the finalization of the SSBG service Contract.

In the case of a multi-year Contract, when documentation of match has been provided for the first twelve months of the Contract only, a copy of the Provider Agency's governing board resolution and/or Donor Agreement ([Public](#) or [Private](#)) for the remainder of the Contract term must be submitted to the State Agency prior to the 12th month of the Contract term.

3. Inclusion of Match in the Official Contract Budget

In accordance with the Department's Contract Reimbursement Manual, all cash donations must be identified in the Annex B: Official Contract Budget, and as Cost Sharing, will reduce the Total Operating Budget. In-Kind Contributions are not to be included in the Official Contract Budget.

B. State Agency Responsibilities

1. The State Agency shall use the guidelines established in this policy to review and approve the type(s), source(s), and amount(s) of donation(s) to be used as match for SSBG service Contracts.
2. The State Agency shall provide standard Donor Agreements ([Public](#) and [Private](#)) which must be used by the Provider Agency with any third-party public or private match Donor. Sample copies of the standard Donor Agreements ([Public](#) and [Private](#)) are attached to this policy.
3. The State Agency shall retain on file with the SSBG service Contract, copies of any governing board resolutions and/or Donor Agreements ([Public](#) or [Private](#)) pertaining to the provision of match.

